

# ***NEWS RELEASE***

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***OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
San Diego, California***

***United States Attorney  
Karen P. Hewitt***

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***For Immediate Release***

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**NEWS RELEASE SUMMARY** - May 18, 2007

United States Attorney Karen P. Hewitt announced that Dana Lee Dulyea was arraigned today in federal court in San Diego before United States Magistrate Judge Jan M. Adler on a 15-count indictment alleging that he defrauded his former employer, Applied Biotech, Inc. of San Diego (“ABI”), of more than \$400,000 between 1999 and 2003. Dulyea entered a plea of not guilty, and bond was set in the amount of \$125,000.

According to the indictment, ABI was a manufacturer and marketer of rapid medical testing devices for such things as drug abuse, pregnancy, and infectious diseases. The indictment alleges that Dulyea abused his position as ABI’s accounts-receivable clerk and information technology specialist to deceive one of ABI’s customers—Mainline Technologies, Inc., in Ann Arbor, Michigan (“Mainline”)—into making payments to a privately-held computer consulting firm that Dulyea operated from his residence.

The indictment also alleges that Dulyea fraudulently concealed that the computer firm, Web-Tech Solutions Group, LLC (“WTS”), was his own private company and, instead, misrepresented that WTS was an “internal collections department” for ABI. Dulyea told Mainline that payments to WTS would satisfy

Mainline's bills for products purchased from ABI. According to the indictment, Dulyea, however, concealed these payments from ABI and converted the funds for his own personal benefit. The indictment further alleges that Dulyea covered up his diversion of payments by falsifying ABI's computer records and other documents so that it appeared that ABI was receiving Mainline's payments when, in fact, Dulyea deposited those payments into bank accounts that he controlled.

"Employees will be held accountable for abusing the positions entrusted to them by their employers," said U.S. Attorney Karen P. Hewitt. "Law enforcement is committed to ferreting out corporate fraud no matter how elaborate the steps taken by the employee to conceal his crimes."

Dulyea's next court appearance is scheduled for May 29, 2007.

**DEFENDANT**

**Case Number: 07cr1185-L**

Name: Dana Lee Dulyea

**SUMMARY OF CHARGES**

Title 18, United States Code, Section 1341 (mail fraud) and Section 1343 (wire fraud)  
Maximum Penalty: 20 years' imprisonment  
\$250,000 fine  
Three years of supervised release

**INVESTIGATING AGENCY**

Federal Bureau of Investigation

**An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.**